

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/22/47
FROM: Clive Arthey – Cabinet Member for Planning	DATE OF MEETING: 6 th March 2023
OFFICER: Tom Barker Director Planning and Building Control	KEY DECISION REF NO. CAB404

COMMUNITY INFRASTRUCTURE LEVY (CIL) – CIL EXPENDITURE PROGRAMME MARCH 2023

1. PURPOSE OF REPORT

- 1.1 The CIL Expenditure Framework and the CIL Expenditure Framework Communications Strategy were adopted by Mid Suffolk on the 21st July 2022 and by Babergh on the 6th October 2022. These documents were also accompanied by the CIL Key Dates calendar 2022/23 (see Background Papers).
- 1.2 The processes and governance around CIL expenditure is set out in these documents and the type of infrastructure that CIL monies can be spent on is set out in each Councils Infrastructure Funding Statement – Infrastructure List. (Background Documents refer).
- 1.3 CIL expenditure operates using a process of twice-yearly bid rounds which occur on the 1st - 31st May and 1st - 31st October each year. Once all the Bids have been validated, all valid Bids are then screened for the availability of s106 funds and other funding streams. Following this all valid Bids are prioritised using criteria set out in the CIL Expenditure Framework and recommendations on Valid Bids are included within a CIL Expenditure Programme for each District. The CIL Expenditure Programme for that District will be considered by that Councils Cabinet with decisions on all valid Bids either for Cabinet to make or for Cabinet to note (if the Bid has been determined using delegated powers).
- 1.4 This report seeks to obtain approval by Cabinet for Babergh' s CIL Expenditure Programme – November 2022 which forms Appendix A to this report. This report contains the assessment of five CIL Bids (B22-11, B22-03, B22-10, B22-16, and B22-14) including the judgements around the prioritisation criteria for those Bids (Appendix B).

2. OPTIONS CONSIDERED

- 2.1 There is a diverse spectrum of approaches to CIL expenditure across the country from Unitary Authorities who have absorbed CIL into their individual Capital Programmes to others who ringfence all funds to be spent locally. A range of different approaches was identified in Appendix A of the Framework for CIL Expenditure report provided to Cabinet's on the 5th and 8th of February 2018 and discussed in full during the workshops with the Joint Member advisory panel. Members adopted the

documents set out in paragraph 1.1 above by Council decision in April 2018 which were subsequently reviewed and adopted on the 19th March 2019 (Babergh) and 18th March 2019 (Mid Suffolk) and then reviewed for the second and third time and adopted by both Councils on the 20th April 2020 and 23rd March 2021(Babergh) and 25th March 2021(Mid Suffolk) respectively. The fourth review took place in May 2022 and the changes were approved by Mid Suffolk on the 21st July 2022 and by Babergh on the 6th October 2022.

3. RECOMMENDATIONS

- 3.1 That the CIL Expenditure Programme (March 2023) and accompanying technical assessment of the five CIL Bids B22-11, B22-03, B22-10, B22-16 and B22-14 (forming Appendices A and B) which include decisions on these CIL Bids for Cabinet to make as follows: -

Decisions for Cabinet to approve: - Ringfenced Infrastructure Funds (Stutton and Capel St Mary)

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
B22-11 STUTTON Extension to the Village Hall. New Activity Room	Amount of CIL Bid £100,000.00 Total cost of the project £135,732.12 Total of other funding Valencia Community Funding or Parish Council £35,732.12	Recommendation to Cabinet to approve CIL Bid B22-11 for £100,000.00 from the Ringfenced Infrastructure Fund (Stutton)
B22-03 CAPEL ST MARY Play Area Improvements at the Playing Field	Amount of CIL Bid £100,000.00 Total cost of the project £187,916.13 Total of other funding S106 Funding £25,483.23 Parish Council £41,590.83 Capel Community Trust £20,842.07	Recommendation to Cabinet to approve CIL Bid B22-03 for £100,000.00 from the Ringfenced Infrastructure Fund (Capel St Mary)

Decisions for Cabinet to approve: - Ringfenced Infrastructure Fund (Monks Eleigh and Sudbury) and Local Infrastructure Fund

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
B22-10 MONKS ELEIGH Play Area Improvements	Amount of CIL Bid £51,068.35 Total cost of the project £78,078.00 Total of other funding S106 £27,009.65	Recommendation to Cabinet to approve CIL Bid B22-10 for £51,068.35, £25,656.00 from the Ringfenced Infrastructure Fund (Monks Eleigh) and £25,412.35 from Local Infrastructure Fund
B22-16 SUDBURY Artificial Pitch and site development	Amount of CIL Bid £100,000.00 Total cost of the project £1,013,272.68 Total of other funding Club Funds £65,000 Anglian Water £150,000 Football Foundation £698,272.68	Subject to the grant of planning permission, recommendation to Cabinet to approve CIL Bid B22-16 for £100,000, £5,416.21 from the Ringfenced Infrastructure Fund (Sudbury) and £94,583.79 from the Local Infrastructure Fund

Decisions for Cabinet to approve: - Infrastructure Fund

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
B22-14 EDWARDSTONE Millennium Green Play Equipment Upgrade	Amount of CIL Bid £11,445.29 Total cost of the project £15,298.38 Total of other funding S106 Funding £2,249.96 Edwardstone Parish Council £1,353.13	Recommendation to Cabinet to approve CIL Bid B22-14 for £11,445.29 from the Local Infrastructure Fund

	Edwardstone Millennium Green Trust £250.00	
<p>3.2 Cabinet are also asked to note and endorse this CIL Expenditure Programme which includes the position in respect of approved CIL Bids from Rounds 1 to 9 inclusive (including September and November 2022), (Appendix A Section B) together with details of emerging infrastructure /CIL Bids (Appendix A Section C).</p>		
<p>REASON FOR DECISION</p> <p>Community Infrastructure Levy (CIL) monies have been collected since the implementation of CIL on the 11th April 2016. The CIL Expenditure Framework (originally adopted in April 2018) has been reviewed with amendments adopted in March 2019, April 2020, March 2021, and 21st July 2022 (Mid Suffolk) and by Babergh on the 6th October 2022. The CIL Expenditure Framework requires the production of at least two CIL Expenditure Programmes for each District (per year) and contains decisions for Cabinet to make or note on CIL Bids for CIL expenditure. These decisions relating to the expenditure of CIL monies form one of the ways in which necessary infrastructure supporting growth is delivered.</p>		

4. KEY INFORMATION

4.1 Given the determination of “available monies” (paragraphs 6.8 – 6.9 inclusive) Members are advised:

- Bid round 10 opened on the 1st October and closed on the 31st October 2022. All new Bids received to date have been acknowledged. Under the CIL Expenditure Framework all Bids are examined and validated, and where valid they are then screened, consulted upon, and assessed against prioritisation criteria (under the agreed procedures). The decisions are then presented to Cabinet to make and/or note (where delegated decisions have been made). These are included in the CIL Expenditure Programme and the Technical Assessments, and both are presented to Cabinet to consider.
- This CIL Expenditure Programme document focuses on the following 5 CIL Bids (B22-11, B22-03, B22-10, B22-16, and B22-14). Further key information about these Bids is set out below (augmented by the Technical Assessments comprising Appendix B) as follows-.
 - **B22-11 STUTTON – New Activity Room**
 - The Stutton Community Association is proposing to extend the existing village hall provision. These proposed works will provide the village hall with a new activity room and the provision of a new toilet that is designed to disabled access standards and will be accessed by an existing rear entrance to the building.

- With the extension to the existing building the Sutton Community Association are hoping to increase the overall footfall to the site and provide a better experience for future and current groups and sessions that take place in the village hall. The village has recently had development both finishing and commencing in the local area. The extension to the village hall will meet this increase of population to the local and wider areas. Groups that currently use the hall are Meet up Mondays, Suffolk Sight, children with the play group and various types of dance classes. This also includes activities such as Pilates and chair-based exercise for a wide range of ages and abilities.
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- The amount of CIL funding is regarded as acceptable under the terms of the CIL Expenditure Framework as the CIL Bid of £100,000 represents 74% of the total project eligible costs. It lies within the community infrastructure thresholds of not exceeding £100,000 and 75% of the total project eligible costs. This project has been delivered under the Community Infrastructure section within the Infrastructures Funding Statement (Infrastructure List) for Babergh.

- **B22-03 CAPEL ST MARY – Play Area Improvements at the Playing Field**

- The project will provide an up to date inclusive play area for a growing community. The existing facility is out dated and not fit for purpose for a community who have seen housing growth. The project will see an improved design and layout of the play equipment which will maximise space for play and provide seating for parents/guardians
- This proposal represents an “oven ready” scheme with evidence of wide community support that would provide additional leisure and community facilities for the community and encourages active outdoor play for the children. The project will be funded through collaborative spend, with the CIL fund portion being 62% of the project costs (see above) funded from the Ringfenced Infrastructure Fund for Capel St Mary, together with funding contributions from the Capel Community Trust and the Parish Council along with funds from s106 Developer Contributions.
- In view of the above the amount of CIL funding is regarded as acceptable under the terms of the current CIL Expenditure Framework as this CIL Bid of £100,000.00 represents 53% of the total project costs. It lies within the community infrastructure threshold of not exceeding £100,000 and 75% of the total eligible project costs. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Babergh.

➤ **B22-10 MONKS ELEIGH – Play Area Improvements**

- The project will provide additional play equipment on the existing playground area at the Village Hall at Monks Eleigh. The new equipment will provide an inclusive play area which will offer a wider age range of provision. This facility will benefit the children living in the village, visitors to the parish and the hirers of the Village Hall. The village has seen a development of 17 new houses which when occupied could result in additional families moving into the village who will benefit from the new additional play facilities.
- This proposal represents an “oven ready” scheme with evidence of wide community support that would provide additional leisure and community facilities for the community and encourages active outdoor play for the children. The project will be funded through collaborative spend, with the CIL fund portion being 65% of the project costs (see above) funded from the Ringfenced Infrastructure Fund for Monks Eleigh and the Local Infrastructure Fund together with funding contributions from Monks Eleigh Parish Council along with funds from s106 Developer Contributions.
- In view of the above the amount of CIL funding is regarded as acceptable under the terms of the current CIL Expenditure Framework as this CIL Bid of £51,068.35 represents 65% of the total project costs. It lies within the community infrastructure thresholds of not exceeding £100,0000 and 75% of the total project eligible costs. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Babergh.

➤ **B22-16 SUDBURY – 3G Artificial Pitch and site development**

- AFC Sudbury are proposing to create a new 3G Artificial pitch for which they are seeking a contribution from District CIL. This project will be part of further additional construction that is taking place on the site. This will include additional disability car parking spaces and a small new unit for use by the club which will be used for catering.
- AFC Sudbury is embedded in both the local and wider communities of Sudbury and the Babergh area. The club have working partnerships with groups and organisations such as The Bridge (who work with disadvantaged adults such as dementia, learning disabilities and mental health issues), Local Schools and the Active Suffolk Partnership. AFC Sudbury also have inclusive programmes designed for women and girls to promote recreational provision in these groups.

- The construction of this new pitch will enable AFC Sudbury to increase their provision to provide services to the local and wider communities. The key beneficiaries will be young people from the ages of 3-4 upwards to those in later years of life. The new pitch will have no restriction on who can access the facility. It will also be used for students aged 16-25 who are part of the football in education programme at AFC Sudbury. This programme helps maintain young adults in education for longer. Overall, this project will ensure that the site is futureproofed.
- This project has the support of the Football Association (FA) who have detailed this in a letter provided with the CIL application. The FA are completing the procurement and planning permission processes for this project. **A decision on the grant of planning permission is expected by early March 2023 and this recommendation of approval is subject to planning permission being granted.**
- The amount of CIL funding is regarded as acceptable under the terms of the CIL Expenditure Framework as the CIL Bid of £100,000 represents 10% of the total project costs. It lies within the community infrastructure thresholds of not exceeding £100,000 and 75% of the total eligible project costs. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Babergh.
- **B22-14 EDWARDSTONE – Millennium Green Play Equipment Upgrade**
- The Edwardstone Millennium Green Trust, after consultation with residents, are proposing to upgrade their current play area. The Trust with Parish Council support are requesting CIL support to provide additional equipment to sit alongside that which already exists on the current play area site. This will provide greater choice and diversity for outdoor play and exercise for the children of the parish who visit the site whilst also allowing increased numbers of children to use the play area.
- The project will provide new play equipment including a four tower multi-unit, seesaw and resurfacing the ground to enable the site can be used all year round. The Parish Council will be providing new apparatus for younger children which will increase the diversity of the equipment and overall footfall to the play area. Using new sustainable materials to ensure longevity and equipment will ensure easier maintenance.
- The new play area will provide children with a new Metal climbing frame, tightrope circuit, slides and a new all-weather surfacing. The new group surfacing will ensure that the site can be used in all conditions. This apparatus will help in the development of the children's social and physical skills.

- The amount of CIL funding is regarded as acceptable under the terms of the CIL Expenditure Framework as the CIL Bid of £11,445.29 represents 75% of the total project costs. It lies within the community infrastructure thresholds of not exceeding £100,000 and 75% of the total eligible project costs. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Babergh.

4.2 This CIL Expenditure Programme also provides an up-to-date progress position on all those CIL Bids which have previously been approved in Bid rounds 1 to 9 (inclusive) (including September and November 2022) together with a section which outlines the progress of emerging CIL Bids which are being discussed at pre submission stage (Appendix A to section C).

5. LINKS TO CORPORATE PLAN

5.1 The effective spending of CIL monies will contribute to all the three priority areas that Councillors identified in the Joint Corporate Plan. Economy and Environment Housing and Strong and Healthy Communities.

6. FINANCIAL IMPLICATIONS

6.1 The adopted CIL Expenditure Framework is critical to the funding of infrastructure to support inclusive growth and sustainable development.

6.2 The CIL Regulations stipulate that CIL monies which are collected must be spent on Infrastructure. Before 1st September 2019, each Council was required to publish a list of infrastructure that they will put the CIL monies towards. These lists were known as the "Regulation 123 Lists". However, on the 1st September 2019, new CIL Regulations were enacted, with the CIL 123 Lists being abolished, and in order to provide clarity given this changing situation, each Council adopted a CIL Position Statement containing a list of infrastructure that it would spend its CIL monies on. The authority for this was provided by a Council decision in March 2019 when the first review of the CIL Expenditure Framework was undertaken, and a revised scheme was agreed (by both Councils). The CIL Position Statements were identical for both Councils.

6.3 However, these replacement documents (known as the CIL Position Statement) were replaced by separate Infrastructure Funding Statements (Infrastructure List) for both Councils. They were both approved by each Councils Cabinet in November 2020.

6.4 CIL is collected and allocated in accordance with the CIL Regulations 2010 (as amended). Each Council retains up to 5% of the total CIL income for administration of CIL. From the remainder, 15% is allocated to Parish or Town Councils (subject to a cap) but where there is a made Neighbourhood Plan in place this figure rises to 25% (without a cap). For those parishes where there is no Parish or Town Council in place the Council retains the monies and spends the CIL Neighbourhood funds through consultation with the Parish.

- 6.5 Since the implementation of CIL for both Councils on the 11th April 2016 there have been thirteen payments to Town/Parish Councils; these have taken place in October 2016, April and October 2017, April and October 2018, April and October 2019, April and October 2020, April and October 2021 and April and October 2022. At the time that the Neighbourhood payments are made, the 20% set aside for Strategic Infrastructure fund is also undertaken. The Strategic Infrastructure Fund money is stored separately to the Local Infrastructure Fund at this point. In addition, money is also stored in a Ringfenced Infrastructure Fund (explained in Paragraph 6.7 below). As this accounting requires Finance to verify the figures, daily accounting in this way would be too cumbersome and resource hungry to carry out. There is no adverse impact on the Bid Round process or cycle to this method of accounting. Indeed, these dates work well with the Bid round process. (Paragraph 1.3 refers).
- 6.6 The remaining 80% of the CIL monies comprises the Local Infrastructure Fund (with the exception of the monies held in the Ringfenced Infrastructure Fund - explained in paragraph 6.7 below).
- 6.7 Within the CIL Expenditure Framework, infrastructure provision for major housing developments is prioritised and ringfenced for spend against these housing projects. In this way housing growth occurring within the districts is supported by infrastructure provision. When commencement of these major housing schemes occurs, monies are collected according to the CIL payment plan in place. If the scale of development is large the CIL payment plan could be up to 5 equal payments collected over a two-year timescale. Smaller developments are required to pay the money in less instalments and over a shorter timescale. The monies (accrued from developments of 10 dwellings and above) are held in a Ringfenced Infrastructure Fund account separate from the Strategic and Local Infrastructure Funds to ensure the monies are safeguarded towards infrastructure supporting these developments. The remaining unallocated monies are known as the “available funds” and it is these that can fund the majority of CIL bids.
- 6.8 These available funds are:-
- Strategic Infrastructure Fund (including interest) as of 30th September 2022 = £2,292,327.91
 - Ringfenced Fund as of 30th September 2022 = £4,972,684.68
 - Local Infrastructure Fund as of 30th September 2022 = £2,970,664.44
- 6.9 These are expressed as follows:

EXPENDITURE	TOTAL
STRATEGIC INFRASTRUCTURE FUND	
Total Expenditure allocated in Bid Rounds 1-9	£531,103.56
Total Expenditure de-allocated in Bid Round 1-9	£17,237.50

Percentage of fund allocated to projects	19%
RINGFENCED INFRASTRUCTURE FUND	
Total Expenditure allocated in Bid Rounds 1-9	£395,744.44
Total Expenditure de-allocated in Bid Round 1-9	£1,651.01
Percentage of fund allocated to projects	7%
LOCAL INFRASTRUCTURE FUND	
Total Expenditure allocated in Bid Rounds 1-9	£1,978,359.39
Total Expenditure de-allocated in Bid Round 1-9	£183,970.52
Percentage of fund allocated to projects	42%
AVAILABLE FUNDS FOR BID ROUND 10 – MARCH 2023	TOTAL
Total amount available for Bid round 10 (March 2023) (Strategic Infrastructure Fund)	£2,292,327.91
Total amount available for Bid round 10 (March 2023) (Ringfenced Infrastructure Fund)	£4,972,684.68

Total amount available for Expenditure for Bid round 10 (March 2023) (Local Infrastructure Fund)	£2,970,664.44
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7. LEGAL IMPLICATIONS

- 7.1 Both the original and amended CIL Expenditure Frameworks are legally sound and robust. A legal representative from the Councils Shared Legal Service has been directly involved in the majority of the reviews and has reviewed the documentation and changes in these reviews
- 7.2 This report and the accompanying CIL Expenditure Programme for Babergh District Council – March 2023 – Appendix A (including the technical assessments comprising Appendix B) have also been endorsed as being sound and legally compliant by the Councils Shared Legal Service
- 7.3 Governance arrangements agreed in April 2018 and which have remained largely unchanged as part of the first second and third CIL Expenditure Framework reviews are clear in respect of the determination of these Bids.
- 7.4 Regulation 62 of the CIL Regulations 2010 (as amended) required CIL charging authorities to publish monitoring statistics for collection allocations and expenditure of CIL monies by the 31st of December for each year. The 2017, 2018 and 2019 Monitoring Report for Babergh are published on the website (see below).

<https://www.babergh.gov.uk/assets/CIL-and-S106-Documents/Babergh-District-Council-CIL-Monitoring-Report-2016-17.pdf>

<https://www.babergh.gov.uk/assets/CIL-and-S106-Documents/FINAL-BDC-Reg-62-Report.pdf>

<https://www.babergh.gov.uk/planning/community-infrastructure-levy-and-section-106/community-infrastructure-levy-cil/cil-reporting/>

- 7.5 Under the new CIL Regulations 2019, each Council has produced and approved an annual Infrastructure Funding Statement (dealing with both income and expenditure for both CIL, s106 developer contributions and Neighbourhood CIL). There is also a requirement for each Council to produce an “Infrastructure List” – a list of infrastructure projects that each Council is /or will be funding going forward. (Under the new CIL Regulations this must be produced annually by both Councils with the first one meeting a deadline of 31st December 2020.
- 7.6 For Babergh the current annual Infrastructure Funding Statement was produced and published in November 2022. This document (which includes the “Infrastructure List”) was published on the Councils Website in November 2022.(Background Papers refer).

8. RISK MANAGEMENT

8.1 Key risks are set out below (taken from the Strategic Planning Operational Risk Register as follows):

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
Development may be unsustainable if we do not secure investment in infrastructure. Here is a risk that Infrastructure is not delivered where it is needed.	3	2	Infrastructure needs are detailed through a published Infrastructure Delivery Plan (IDP), which is updated periodically.	Strategic Planning Operational Risk register 18
Level of Community Infrastructure Levy (CIL) being charged is low. There is a risk that insufficient funds would be available for critical and essential infrastructure.	3	3	Publish revised CIL Charging Schedules for consultation.	Strategic Planning Operational Risk register 19
Unable to progress CIL Charging Schedules to Examination and Adoption. There is a risk that insufficient funds would be available for critical and essential infrastructure.	2	3	Be clear on the purpose and content of the CIL Charging Schedules prior to consultation.	Strategic Planning Operational Risk register 20
Non payment of CIL or non-collection of s106 payments. There is a risk that	3	3	Appointment of a Debt recovery officer in 2021 to ensure improved	Strategic Planning Operational

Insufficient funds would be available for infrastructure.			recovery of CIL and s106 debt.	Risk register 21
Planning reforms meaning changes to the development plan system and infrastructure delivery resulting in different approaches needing to be followed. There are risks that Changes to the plan-making process and the replacement of CIL with an Infrastructure Levy.	3	3	Ensure prepared for any forthcoming changes.	Strategic Planning Operational Risk register 22
Absence of clarity on where expenditure is to be made as a result of plans and strategies being incomplete or out-of-date. There is a risk that Failure to allocate expenditure such that if we do not secure investment in infrastructure (schools, health, public transport improvements etc.), then development is stifled and/or unsustainable.	2	3	Adopted Community Infrastructure Levy (CIL), secures investment on infrastructure via the planning process (which includes S106). Creating the Joint Corporate Plan, the emerging Joint Local Plan with associated Infrastructure strategy and Infrastructure Delivery Plan and Infrastructure Funding Statement will ensure that infrastructure across both Councils is addressed.	Strategic Planning Operational Risk register 33
Failure to produce a yearly Regulation 62 report would	1	2	The Infrastructure Team produces the required report which is checked and verified by Financial	Strategic Planning Operational

<p>result in non-compliance with the CIL Regulations 2010 (as amended) and may mean that Members and the public are not aware of CIL income and expenditure activities. Under the CIL Regulations 2019 an annual Funding Statement is required to address CIL and s106 developer contributions and a list of infrastructure projects ("Infrastructure List"). Failure to do so will also result in non-compliance with the CIL Regulations (as amended).</p>			<p>services/open to review by External Audit. Reminders are set to ensure the report is published by the statutory date. The format of the Monitoring report which in future will be known as the annual Infrastructure Funding Statement (IFS) is laid out in the CIL Regulations, so there is no risk in relation to the way the information is presented</p>	<p>Risk register 34</p>
<p>Failure to monitor due to an absence of staff undertaking this task. There is a risk that failure to monitor expenditure may result in CIL expenditure not being effective.</p>	<p>2</p>	<p>3</p>	<p>The software which supports CIL collection will be used to support CIL expenditure. In addition, it is envisaged that a twice yearly (at least) CIL Expenditure Programme will be produced which will include details of all allocated and proposed CIL expenditure and this together with the software will be used for effective monitoring.</p>	<p>Strategic Planning Operational Risk register 35</p>

<p>If too high a value is allocated into the Strategic Infrastructure Fund, there is a risk that there would be insufficient Local Infrastructure Funding available to deliver the infrastructure required to mitigate the harm, thereby ensuring sustainable development.</p>	2	3	<p>The Infrastructure Team will continue to monitor all allocations of CIL Funds and the CIL Expenditure Framework review will include this risk as a key element of the review to ensure the level set remains appropriate.</p>	<p>Strategic Planning Operational Risk register 36</p>
<p>If 25% Neighbourhood CIL is automatically allocated to any Parish/Town Councils where there is no Neighbourhood Plan in place, there is a risk that there would be insufficient CIL Funding to allocate to the Strategic Infrastructure Fund and also the risk that there would be insufficient Local Infrastructure Funding available to deliver the infrastructure required to mitigate the harm, thereby ensuring</p>	2	3	<p>The Infrastructure Team will continue to monitor all allocations of Neighbourhood CIL and other CIL Funds and the CIL Expenditure Framework review will include this risk as a key element of the review to ensure allocations of CIL remain appropriate and projects to make development sustainable are able to be delivered.</p>	<p>Strategic Planning Operational Risk register 37</p>

sustainable development.				
If commencements of major housing developments were not correctly monitored or the incorrect apportionment of CIL monies were to occur such that monies could not be allocated towards major housing developments, inadequate infrastructure provision would result.	2	4	The Infrastructure Team will continue to monitor all commencements of development through the service of the required Commencement Notice by developers such that correct apportionment of CIL Funds can be undertaken. The CIL Expenditure Framework review will include this risk as a key element of the review to ensure allocations of CIL remain appropriate and projects to make development sustainable are able to be delivered.	Strategic Planning Operational Risk register 38

Assurances (for collection of CIL monies)

8.2 In September 2016 Internal Audit issued a report in relation to CIL governance processes. The Audit Opinion was High Standard and no recommendations for improvement to systems and processes were made. Table 5 provides a definition of this opinion:

Table 5

	Operation of controls	Recommended action
High standard	Systems described offer all necessary controls. Audit tests showed controls examined operating very effectively and where appropriate, in line with best practice.	Further improvement may not be cost effective.
Effective	Systems described offer most necessary controls. Audit tests showed controls examined operating effectively, with some improvements required.	Implementation of recommendations will further improve systems in line with best practice.
Ineffective	Systems described do not offer necessary controls. Audit tests showed key controls examined were operating ineffectively, with a number of improvements required.	Remedial action is required immediately to implement the recommendations made.
Poor	Systems described are largely uncontrolled, with complete absence of important controls. Most controls examined operate ineffectively with a large number of non-compliances and key improvements required.	A total review is urgently required.

- 8.3 On the 18th December 2017 Joint Overview and Scrutiny received a fact sheet on collection and current thinking on CIL expenditure and questions were answered in relation to it. Members of that Committee were advised of the route map towards getting a framework for CIL expenditure formally considered. The resulting joint CIL Expenditure Framework, the CIL Expenditure Communications Strategy and the Timeline for the Expenditure of CIL and its Review were adopted by both Councils on the 24th April 2018 (Babergh) and 26th April 2018 (Mid Suffolk).
- 8.4 In May 2018 the results of an investigation by Internal Audit on behalf of the Assistant Director Planning and Communities (post title changed subsequently to Director Planning and Building Control) were produced following complaints regarding the CIL process in place for Babergh and Mid Suffolk. The investigation concluded: -
- “The information provided to the public in relation to the CIL process is superior to that found for some other Councils and the team go over and above the requirements when supporting applicants where resources allow them to do so. It is Internal Audit’s opinion that the Infrastructure team, even though working under challenging conditions with increasing numbers of applications, are providing a good service to customers and pro-actively looking for ways to improve where possible.”
- “The audit opinion is therefore high standard” – (paragraph 8.3 Table 5 defines)
- 8.5 In September 2018 Internal Audit conducted a review of CIL processes and released a written report. It contains a Substantial Assurance audit opinion (with two good practice points needing to be addressed relating to further clarification of “best value” (one of the criteria for assessing CIL Bids) and storage of all electronic communication. Both these matters have been addressed. The first point by including further explanation about Best Value in Appendix A; the second point through resource adjustments.
- 8.6 Within the first review process, information was captured from a wide array of sources and all feedback was shared with the Joint Member Panel including the recommendations of Overview and Scrutiny who met to discuss and review the operation of the CIL Expenditure Framework on the 19th November 2018. Their recommendations were considered as part of the first review of the CIL Expenditure Framework process by the Joint Member Panel.
- 8.7 On the 19th September 2019, a report was prepared for consideration by Joint Overview and Scrutiny on CIL expenditure with five witnesses including Infrastructure Providers, Cockfield Parish Council, and a member of the Joint Member Panel; the latter of which worked to inform the second review of the CIL Expenditure Framework. Joint Overview asked questions of the witnesses and concluded the following: -
- Joint Overview and Scrutiny Committee endorses the work of the CIL team (and the CIL Member Working Group) and notes that a fit and proper process is in place in respect of the bidding and allocation of CIL funds.
- 8.8 In line with the fourth review, both Councils agreed for the Joint Member Panel to inform a fifth review during Bid round 10 (in October 2022) so that any changes could be in place before Bid round 11 commences in May 2023. This fifth review took place, and the outcomes are likely to be considered by both Councils in March 2023.

9. CONSULTATIONS

9.1 The CIL Expenditure Communications Strategy contains a requirement for both Councils to consult the following bodies or organisations (for a period of 14 days) where valid Bids for their Wards or Parish have been submitted as follows:

- District Members-
- Parish Council
- Division County Councillor

9.2 Where appropriate as part of the CIL process and assessment of Bids, Officers have also taken advice from other Officers within the Council; including the Communities team.

9.3 Regular Parish events and Member briefings will continue to be held to familiarise all with the Expenditure Framework and how we can continue to work together to provide infrastructure for the benefit of our communities.

10. EQUALITY ANALYSIS

10.1 please see attached Screening report.

11. ENVIRONMENTAL IMPLICATIONS

11.1 It is important that appropriate infrastructure mitigates harm which could be caused by new development without its provision. CIL is one way in which infrastructure is provided and the CIL Expenditure Framework requires two bid rounds per year supported by the provision of a CIL Expenditure Programme for each Bid round. There is no EIA Assessment required.

12. APPENDICES

Title	Location
(a) Appendix A – CIL Expenditure Programme for Babergh – March 2023	Attached
(b) Appendix B – Technical Assessment of CIL Bids (B22-11, B22-03, B22-10, B22-16 and B22-14) – March 2023	Attached
(c) Appendix C – Screening Report for Equality Analysis (EQIA)	Attached

13. BACKGROUND DOCUMENTS

13.1 The CIL Expenditure Framework, the CIL Expenditure Framework Communications Strategy and the Infrastructure Funding Statement (including the Infrastructure List) together with the Key CIL Calendar dates for 2021/22 constitute background papers for this report. The original documents were adopted by both Councils in April 2018.

They were reviewed, amended and adopted by both Councils in March 2019, April 2020 and March 2021. They were further reviewed, amended and adopted by both Councils in July 2022 (Mid Suffolk) and by Babergh in October 2022.

13.2 The following documents represent background documents to this report: -

- Current CIL Expenditure

[Appendix-A-The-CIL-Expenditure-Framework-Babergh-and-Mid-Suffolk-Final-amended-July-2022-.pdf](#)

- Current CIL Expenditure Framework Communications Strategy.

[Appendix-B-CIL-Expenditure-Framework-Communication-Strategy-Final-July-2022.pdf \(babergh.gov.uk\)](#)

- Current Key CIL Calendar dates – 2022/23

[Appendix-C-CIL-Expenditure-Calendar-Key-dates-in-bold.pdf \(babergh.gov.uk\)](#)

- Infrastructure Funding Statement for Babergh – November 2022

[Appendix-B-BDC-IFS-21-22-Infrastructure-List.pdf \(babergh.gov.uk\)](#)

14. **REPORT AUTHOR**

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